

## **Workshop Coordinator: Buddy Everage**

The workshops will allow conference attendees to participate fully in the development of new techniques, review work in progress, and discuss current issues within the framework of an open dialogue. The workshops are open to all levels and will be moderated by experts from the earned value community.

### **WS 01 International Standard for EVM**

Lloyd Carter, Engagement Director, VitalThought USA, LLC

### **WS 02 Pre-Award IBR — Deal or No Deal**

Catherine Ahye, Welkin, National Geospatial-Intelligence Agency

### **WS 03 EVM Services WG (PMSC)**

Facilitated by a panel including:

John Duval, Director of Earned Value Management Systems

Buddy Everage, MCR LLC

Tracie H. Thompson, Program Planning and Control and Earned Value Manager, Honeywell Technology Solutions Inc.

Gay Infanti, Deputy Director, Corporate Pricing, Estimating and Program Control, Northrop Grumman

David Muzio, MCR LLC

Craig Whittaker, Taos Industries, Inc.

### **WS 04 DCMA Reviews Issues / Concerns / Lessons Learned**

Dan Butler, Chairman, National Defense Industrial Association (NDIA) Program Management Systems Committee (PMSC)

Joe Kusick, Director Earned Value Resource Center, Raytheon Company

Fred Meyer

### **WS 05 NDIA PMSC Perspective on Current EVM Environment**

Dan Butler, Chairman, National Defense Industrial Association (NDIA) Program Management Systems Committee (PMSC)

Joe Kusick, Director Earned Value Resource Center, Raytheon Company

### **WS 06 Is the CPI a Stable Predictor of Program Performance?**

J. Greg Smith, Program Cost and Schedule Manager, L3 Communications

Kym Henderson, PMI CPM

## **WS 01 International Standard for EVM**

As the interest in EVM from both a governmental and commercial perspective has grown over the years, the numbers of guidance documents have also grown. Several nations, including the US, Australia, Canada, Japan, United Kingdom and Sweden have their own document or set of documents laying out the requirements of an Earned Value Management System. Over the years there has been interest in an international standard for EVM but those interested were not in a position or lacked knowledge on how to go about pursuing it. It has only been since the Australian Standard was promulgated by Standards Australia that the mechanism for pursuing an ISO standard has been evident to the people most interested in the pursuit.

The idea of pursuing an international standard was raised in the first meeting of the Global Advisory Committee of the CPM in May 2006. This committee is made up of 26 members from 14 different countries. Although all members were not available at the May meeting, the consensus was that the pursuit of an ISO standard for EVM was long overdue. At the transitional meeting of the Board of Directors of the College of Performance Management (CPM) in November 2007, there was unanimous agreement that an International Standard for EVM was in the best interests of the CPM.

Pursuing an International Standard is a long and arduous road. This workshop attempts to open the discussion concerning the advantages, disadvantages and obstacles toward developing an International Standard for EVM.

### **Lloyd Carter, Engagement Director, VitalThought USA**

Lloyd L. Carter is currently an Engagement Director with VitalThought USA. Previously he was the Managing Director of MTC AustralAsia Pty Ltd in Canberra ACT Australia and Chairman of the Carter Management Group of Companies.

While in the United States Air Force, Mr. Carter served in various acquisition management positions directly related to Project Management and Performance Management Systems and participated in the review of the first contractor validated under the Cost/Schedule Planning Control System in 1968.

From 1972 to 1981, he served as Course Director of the C/SCSC Courses and Associate Professor of Acquisition and Project Management at the School of Systems and Logistics at the Air University. Included in the duties was providing consulting services to various Department of Defense agencies as well as to the National Aeronautic and Space Agency, Department of Energy, and Department of Transportation.

As a private consultant and Managing Director of performance management companies since 1981 he has designed and implemented project and performance management systems and provided consulting services and assistance to over 200 contractor and governmental organisations in the United States, Canada, England, Scotland, France, Italy, Romania, Japan, Australia and Saudi Arabia. He has designed, developed, and conducted public training and in-house seminars on project management attended by thousands of students.

Mr. Carter has participated in the development of several EVM and Project Management Standards and is currently the Chairman of the Standards Australian OB-014 Earned Value Management Standard Committee and the Deputy Chairman of the Australian Delegation to the International Standards Organisation Project Management Standard Committee for ISO/PC 236 Project Management Standard.

## **WS 02 Pre-Award IBR — Deal or No Deal**

Several years ago I sat at a conference and heard OMB's pitch on the need to start conducting Pre-Award Integrated Baseline Reviews (IBRs) and how this was a good idea. I remember thinking that only someone who has never had hands-on experience would think that this was a good idea. Well about 2½ years ago I had the opportunity to participate in a Pre-Award IBR and the results were mixed. There were some definite pluses and some minuses. And now 2 years later, I look back and, the findings at that IBR Outbrief still hold true. This workshop will cover the going-in parameters of that IBR, the positives and negatives along with the lessons learned.

**Catherine Ahye, Welkin, National Geospatial-Intelligence Agency • 703.735.2353**

**Catherine.A.Ahye.ctr@nga.mil**

Ms. Ahye has over twenty years combined experience in Earned Value Management and Project Management as a government and contractor employee. Her experience includes developing an Earned Value Management System that received DOD accreditation within thirteen months from contract award. Currently Ms. Ahye is providing performance management consulting services to the National Geospatial-Intelligence Agency (NGA) government program offices and developmental contractors.

Prior to arriving at NGA, Ms. Ahye has provided program offices training, standardization, mentorship, and oversight in the Earned Value and Program Management arena. In addition, she has led EVMS reviews including Integrated Baseline Reviews (IBRs), EVMS joint surveillance reviews, and other independent assessments. She holds a Masters and BS Degrees in Business Administration and a Project Management Professional (PMP).

## **WS 03 EVM Services WG (PMSC)**

**Facilitated by a panel including John Duval (CSC), Buddy Everage (MCR), Gay Infanti (Northrop Grumman), David Muzio (MCRI), Craig Whittaker (Taos Industries), and Tracie Thompson (Honeywell)**

EVMS is being applied to a variety of services type contracts without specific guidance or policy on how EVMS should be implemented and used to effectively manage services. The NDIA Program Management Systems Committee chartered a Subcommittee to develop and recommend policy, process guidance, and/or training to support the implementation of EVMS on services type work. The Subcommittee is drafting a white paper on its findings and recommendations.

To implement and use EVMS, certain contractual elements must be present, i.e., a discrete SOW, from which an end item-oriented WBS can be defined, and a schedule. Today, RFPs more frequently contain a statement of objectives (SOO) rather than a statement of work (SOW) and the offeror is required to create a project work statement as part of the proposal. Thus, for a services project, there is a need for a services-oriented WBS. Many service contracts are site specific. In such cases, a WBS hierarchy that starts with total contract, task order, PMO, geographic location and then deliverable services would make sense. In services work, execution risks are typically greatest during transition and start-up. For these non-recurring transition activities, EVM is highly applicable. Is EVM beneficial for services contracts beyond the transition phase? The subcommittee agrees it is.

The May workshop demonstrated that EVM could be applied to a Project Management Office. Service contracts are required to be performance-based. Customers are using quality, timeliness, availability and other operational metrics to measure performance. These metrics are not typically addressed in EVM. The workshop will discuss the relationship of EVM and Performance Based Acquisition Management. For performance-based fixed price service contracts the Government should require Performance-Based Payments (PBPs). Payments are paid to suppliers based on the completion of work, i.e., completion of milestones. Quentin Fleming and Joel Koppleman, in their article in the summer 2008 issue of The Measurable News say that "the concept of performance-based payments is in fact a simple form of EVM."

The subcommittee will be seeking audience feedback on the work so far, as well as audience experiences, suggestions

and recommendations for other topics that need to be addressed and added to the white paper.

**John Duval, Director of Earned Value Management Systems, Computer Sciences Corporation  
931.636.5932 • jduval@csc.com**

John Duval is the Director of Earned Value Management Systems for Computer Sciences Corporation's (CSC) North American Public Sector (NPS) Headquarters. He is primarily responsible for supporting government contracts with formal EVM requirements through all phases of EVMS deployment including: proposal support, tool setup and training, CAM and EVM methodology training, IBR preparation, and annual contract surveillance. He has been responsible for the development, implementation and sustainment of an enterprise EVMS which integrated detailed performance data for over 600 concurrent projects. As an EVM Specialist for many years, he has performed thousands of project integrated baseline reviews and monthly performance reviews on services projects. His career has been focused on quantifying and tracking IT services projects on large multi-project government cost-plus award fee contracts.

Mr. Duval's 25 years of EVM experience on government services contracts includes 10 years at Goddard Space Flight Center, 2 years for the Bureau of Land Management and 11 years at Arnold AFB. John has a B.S. degree in Industrial Technology from the University of Maryland, holds a CMII certification from the Institute of Configuration Management, and is a certified Dekker Product User.

**Buddy Everage, Director, Emerging IT Programs, MCR, LLC • 703.822.1201 • beverage@mcri.com**

Buddy Everage is a member of the Executive Committee of the National Defense Industrial Association (NDIA) Program Management Systems Committee (PMSC) and has been actively involved as a working group lead and co-author of several of the NDIA published guides related to the implementation and use of Earned Value Management Systems. Buddy has more than 20 years of experience including a diverse background in Financial Management, Cost Estimating, Program Management and EVM, with experience in both the U.S. Federal Government and commercial arenas.

Buddy recently joined MCR, LLC, where he has assumed the lead for the implementation of a program level EVMS for one of the FAA's major programs. Prior to joining MCR, Buddy held numerous positions as an EVM consultant specializing in the development and implementation of EVM systems and as a corporate level EVM focal point, most notably, the Corporate Director, EVM Programs for Computer Sciences Corporation.

Buddy is a retired Naval Officer and holds a BS, MS and MBA degrees.

**Tracie H. Thompson, Program Planning and Control and Earned Value Manager, Honeywell  
Technology Solutions Inc. • 727.539.4161 • cell 727.252.6753 • tracie.h.thompson@honeywell.com**

Tracie Thompson is the Program Planning and Control and Earned Value Manager for Honeywell Technology Solutions Inc. She has over 20 years of experience in project management, with a focus on Earned Value Management. Tracie's Honeywell experience has included working as the Earned Value focal point, as well as providing extensive Earned Value Management training within Honeywell. She is also the focal point for internal and joint surveillance and has coordinated Earned Value Management System Description updates and reviews. Past experiences include serving as the Business Management supervisor and lead on various programs. In addition to Tracie's Honeywell experience, she was also employed by Raytheon and served as a cost analyst, internal surveillance focal point for earned value, and provided earned value training. Tracie holds a BS in Business from Marymount College in New York and a Masters degree from the University of South Florida. She is a past president of the Tampa Bay Chapter of the Performance Management Association (now PMI-CPM Tampa bay) and is a current PMI member with PMP certification. Tracie is also Six Sigma Green Belt certified.

**Gay Infanti, Deputy Director, Corporate Pricing, Estimating and Program Control, Northrop Grumman •  
714.840.6078 • fax 714.840.6078 • gay.infanti@ngc.com**

Ms. Gay M. Infanti is Deputy Director, Corporate Pricing, Estimating and Program Control at Northrop Grumman. She has over 25 years of experience in finance, business management, program management, and contract management for government and commercial IT systems and services programs. Ms. Infanti is responsible for business process development, improvement, and integration, as well as process training, with primary focus on pricing, estimating and program management processes, including earned value management.

Ms. Infanti participates on numerous Northrop Grumman process councils including Earned Value Management, Pricing, Independent Cost Evaluation, and Risk Management (RM) and is currently working on a number of process improvement initiatives. Ms Infanti has extensive EVM experience including system development/validation, implementation, surveillance, and training, and has served for many years as the EVM Focal Point for Logicon, Inc., as well as for the Northrop Grumman IT Sector.

Ms. Infanti holds a B.A. from the University of California Los Angeles. She is an Officer at Large of the NDIA Program Management Systems Committee and a charter member of PMI's College of Performance Management.

**David Muzio, MCR LLC • 727.210.1454 • fax 727.210.1472 • dmuzio@mcri.com**

David Muzio is currently a part-time employee of MCR, LLC, specializing in Business Case Development and

implementation of Earned Value Management, with expertise in all aspects of Acquisition Management. Dave retired from the Federal Government in 2006 after 39 years of contracting and program management experience. His experience includes: (1) performance-based service contract concept development and implementation across the Federal Government; (2) program management and policy development of the government's outsourcing program defined in OMB Circular A-76; (3) major capital acquisition policy development defined in OMB Circular A-11, Part 7, and the Capital Programming Guide, including the requirements for the use of EVM on all major acquisition programs for both contractor and government development work; and (4) the Federal Acquisition Regulation policy on including EV in Contracts.

Dave has a B.S. in Business Administration from the University of California at Berkeley, and a MBA from Auburn University. He is a member and Fellow of the National Contract Management Association (NCMA), a member of the Project Management Institute, including CPM and the Risk SIG. He was presented with the CPM's Driessnack Award in 2006. He is an Officer at Large of the NDIA Program Management Systems Committee and Chair of the Subcommittee on Service Contracting.

**Craig Whittaker, Taos Industries, Inc. • 256.327.5156 • 256.327.7250 • cwhittaker@taos-inc.com**

Craig Whittaker has over 25 years of experience managing and directing program controls, project scheduling, program finance, program business management, EVMS and financial systems organizations within the Aerospace and Defense industry. In his current position as Director of Estimating, Pricing and Program Controls at Taos Industries Inc., an Agility Defense and Government Services company, he provides corporate and operational leadership in the area of estimating, pricing and program controls on performance based logistic and service contracts including the design and implementation of (proposal) cost estimating systems and EVMS systems meeting FAR and DFAR requirements, respectively. In his role as Director, a major challenge currently being addressed is the design and implementation of an ANSI/EIA 748A EVMS compliant system supportive of the unique requirements of performance based logistic and service contracts. Based on the current approach of assessing program and operational risks and addressing the dynamics of individually unique service contracts, a practical, value added systems approach to EVMS is currently being designed and soon implemented by Taos Industries.

## **WS 04 DCMA Reviews Issues / Concerns / Lessons Learned**

This session will be jointly presented by DCMA EVM Center Leadership and the NDIA Program Management Systems Committee Leadership. The session will discuss observations from numerous review activities conducted over the past year with both Government and Industry perspectives.

DCMA is the Department of Defense Executive Agent for Earned Value Management System with responsibilities to ensure that suppliers' EVM Systems are compliant with DoD EVMS Criteria. The Program Management Systems Committee (PMSC) is a committee within the Procurement Division (PD) of NDIA. One of the committee's primary objectives is to foster mutual understanding and effective working relationships between government and industry regarding the development and maintenance of the ANSI/EIA 748 Standard and the related documents defining effective Integrated Program Management processes.

**Dan Butler, Chairman, National Defense Industrial Association (NDIA) Program Management Systems Committee (PMSC)**

Dan Butler is the Chairman of the National Defense Industrial Association (NDIA) Program Management Systems Committee (PMSC) and is also active in the Project Management Institute College of Performance Management (PMI-CPM). Dan is a member of the SAIC Corporate Project Execution Office, where he serves as the Director of Earned Value Management Systems (EVMS). Dan has more than 20 years of experience including a diverse background in Program Management and EVM, with experience in both the U.S. Government and commercial arenas. Dan has developed and maintained SAIC's Earned Value Management System (EVMS) and is responsible for all aspects of implementation, training, and surveillance. Prior to joining SAIC, Dan held numerous positions in Project Control Management and was Project Manager for several C4I programs for General Dynamics Space Systems and International Research Institute (INRI). Dan holds a BS from California State Polytechnic University.

**Joe Kusick, Director of the Raytheon Company Earned Value Resource Center • 310.607.7327  
Joe\_Kusick@Raytheon.com**

Joe Kusick is the Director of the Raytheon Company Earned Value Resource Center and is the Raytheon Company focal point to the Government Community for all matters relating to the Earned Value Management System Process. He chairs the Raytheon EVMS Management Team.

His past experience includes management positions in Industrial Engineering, Manufacturing Program Management, Subcontract Business Management, Production Scheduling, Business Management, and Material Pricing and Analysis. He has 24 years of management experience. In his 31-year career in Aerospace, he spent 15 years with Raytheon, 2 years with Hughes Aircraft, 12 years with Northrop Grumman Electronics and 2 years in contract management with the US Navy.

Joe has received the David Packard award for his efforts supporting Department of Defense Acquisition streamlining

initiatives. This is the highest Civilian award that is bestowed by The Department of Defense. He was one of the writers of the American National Standards Institute's EVMS guidelines, and he is noted as a major contributor to the Integrated Baseline Review guide that is utilized by Industry and the Department of Defense. Joe is the Vice Chair of the executive board of the Program Management Systems Committee of the NDIA (National Defense Industrial Association).

Joe Kusick holds a Masters in Business Administration from California Polytechnic State University, in San Luis Obispo, California as well as a Bachelor of Science in Business from this same school.

### **Fred Meyer**

No biography provided

## **WS 05 NDIA PMSC Perspective on Current EVM Environment**

This session will provide the NDIA PMSC prospective on the current EVM environment and how industry is addressing issues and concerns resulting from DoD and OMB policies. This presentation will discuss:

- The evolution of EVM
- The new environment in DoD
- The civilian agency environment
- The path forward

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Joe Kusick holds a Masters in Business Administration from California Polytechnic State University, in San Luis Obispo, California as well as a Bachelor of Science in Business from this same school.

## **WS 06 Is the CPI a Stable Predictor of Program Performance?**

The Cost Performance Index (CPI) has become the key indicator of project cost performance when EVM is applied to a program. The use of the CPI as an early predictor of final program cost performance was confirmed in Dr. David Christensen's work in the early 1990's on CPI stability, which demonstrated that the cumulative CPI was very stable from the 20 percent completion point. The A-12 investigation by JAG Officer Chester Beach Jr. referred to DoD research which had concluded that, without exception on more than 400 DoD programs (later updated to 700 programs), the cumulative

CPI never improves. This has been accepted as EVM gospel and has earned a place in almost every EVM class ever created.

Recent work by Kym Henderson and Ofer Zwikael attempting to prove the stability of the Schedule Performance Index (SPI(t)) calculated using the Earned Schedule method has cast doubt on the universal applicability of the earlier research and concludes that the CPI stability rule cannot be generalized even within the DoD project portfolio. Indeed, while Christensen concluded that the CPI after the 20 percent completion point only tends to worsen, Henderson and Zwikael suggest that there are even occasions where early CPI stability was precluded by a progressively improving CPI over the life of project.

In this workshop moderated by J. Greg Smith of L-3 Communications, internationally-known speaker and consultant on EVM,

- PMI CPM Board member and researcher, Kym Henderson will summarize the various facets of this recent and controversial topic
- Criticisms already received of the research undertaken and responses will be provided
- Opportunities for additional points of view, discussion, questions and criticism on the research and findings will be provided.

Suggestions aimed at moving forward and resolving this controversial topic will also be canvassed.

**J. Greg Smith, Program Cost and Schedule Manager, L3 Communications • 801.906.9205  
john.g.smith@L-3com.com**

J. Greg Smith is the Program Cost and Schedule Manager for L-3 Communications in Salt Lake City where he manages a group of professionals responsible for all aspects of Earned Value Management in a large and diverse company. He has earned an MBA from the University of Houston and a Masters in Industrial-Organizational Psychology from Texas A&M University, plus he completed the in-resident Program Management Office course at the Defense Acquisition University. He has over 20 years of earned value management systems experience as a civil servant lead, an industry EVM manager, and a consultant. Prior to his role at L-3 Communications, Greg managed a similar function with Northrop Grumman and was the Earned Value Focal Point for their ICBM division.

As a Program Control Lead with NASA for 17 years, he was the Earned Value Focal Point for the Space Shuttle Orbiter and International Space Station programs. In this capacity he functioned as a Review Team Chief for the implementation of EVM across the Space Station, including the development and training of the review teams, and helped established the policy and processes for the program.

Over the years he has also worked with Humphrey's & Associates, primarily as an instructor of their EVM and Scheduling classes. Most of this was a part-time association, but he was employed full-time with H&A for a year where he worked towards the validation of the multi-billion dollar Waste Treatment Plant program with the Department of Energy.

**Kym Henderson\*, PMI CPM • 61.2.414.428 537 • fax 61.2.8394 9295 • kym.henderson@froggy.com.au**

Kym Henderson is a practicing information technology project manager with significant experience in project recoveries utilizing simplified Earned Value Management techniques. His first degree is a Bachelor of Business and a Master of Science (Computing) from the University of Technology, Sydney. Kym has presented at many conferences internationally and published papers in various publications including the Measurable News, Crosstalk - The Journal of Defense Software Engineering and as part of the proceedings of PMI Global Congresses. Kym also published the first validation of the Earned Schedule method in the Measurable News in 2003.

He taught "Applying Earned Value Concepts to Commercial [IT] Projects" for the PMI SeminarsWorld® program (2005-2007). Kym is the Past Education Director (2003-2007) of the PMI Sydney Chapter where he implemented a highly regarded Chapter education program and is the current PMI-CPM Vice President of Research and Standards. His primary professional interest is advancing project management practice by transitioning worthwhile advanced project management concepts to practical application.

*\*The contents of this presentation are the presenter's personal views and conclusions which do not reflect an endorsed position of the PMI College of Performance Management.*